

Atty. Docket No.: 387953

IN THE UNITED STATES PATENT OFFICE

Patent Application Serial No. 09/578,631

Group No.: 3627

Filed: May 25, 2000

Examiner: F. Bartuska

Title: DISK DISPENSING AND RETRIEVAL
SYSTEM AND ASSOCIATED METHODS

Confirmation No.: 5757

Inventors: William H. Barber and Philip J. Tomasi

DECLARATION OF WILLIAM H. BARBER
IN ACCORDANCE WITH 37 CFR §1.131

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I, William H. Barber, hereby declare:

1. I am a named inventor in U.S. Patent Application No. 09/578,631 (the '631 Application), filed on May 25, 2000.
2. I currently reside at 1845 Brush Oak Court, Thousand Oaks, CA 91320; I have obtained the following university degrees: B.A. (University of California, Santa Barbara, CSB, 1987), M.B.A. (University of Colorado, Boulder, 1998)
3. I am a founder and Director of DVDPlay, Inc. (formerly Freeflyr, Inc.), which owns all right, title and interest in and to the '631 Application.
4. I have studied and understood the specification and claims in the '631 Application, filed May 25, 2000. The claims of the '631 Application generally relate to a disk dispensing and retrieval system, and methods thereof, such as to dispense DVDs to users.
5. I have read and understood the contents of the Office Action mailed January 2, 2004 for the '631 Application.
6. I have read and understood the references cited by the Examiner in the Office Action of January 2, 2004, in particular, United States Patent No. 5,934,439, issued August 10, 1999, to Kanoh et al. and United States Patent No. 6,289,322, issued September 11, 2001 to Kitchen et al.
7. This Declaration is being presented under 37 C.F.R. §1.131 to show prior invention by virtue of conception prior to the effective filing date of Kitchen et al. (March 3, 1998) and continued due diligence from conception to an effective reduction to practice in the effective filing date of the '631 Application.
8. Attached hereto are Exhibits 1-23, which provide documentation of diligence by showing a series of actions taken between June of 1997 and the filing of the '631 Application on May 25, 2000. Exhibit 1 is a copy of preliminary business feasibility notes from my executive Masters

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of Business Administration ("MBA") business retreat. Exhibit 2 is a copy of a confidential poster presentation given to my former employer (confidential words in the presentation were redacted). Exhibit 3 is a copy of my University of Colorado MBA transcripts. Exhibit 4 is a Declaration of Scott Mackey, who provides independent corroboration and authentication of prior invention, by virtue of conception, to the effective filing dates of Kanoh et al. and Kitchen et al.. Exhibits 5-23 are copies from my lab notebook ("Lab Notebook") stored in a safe deposit box at Wells Fargo Bank, 140 E. Thousand Oaks Blvd, Thousand Oaks, CA 91360.

9. In June of 1997, I attended an executive Masters of Business Administration ("MBA") business retreat hosted by the University of Colorado, where I participated in a business feasibility exercise. Exhibit 1 is a copy of the notes from this exercise, laying out the concept for the disk dispensing and retrieval system later described in the '631 Application. For example:

9.1 Exhibit 1 recites the following features:

- a) a kiosk (page 8, 3rd section);
- b) "VDT's [video display terminals] w/ movies" (page 9, 1st section). See also the first sections of pages 6 and 7 for further recitation of "movies";
- c) major credit cards as an avenue for selling the product (page 8, last section);
- d) Bar codes, CDs, real-time inventory, compatibility with credit cards, and automatic re-stocking as technological advantages of the operational design (page 10, last section);
- e) website reservation and automation (inventory control) as superior advantages of the product (page 6, last section);

9.2 Principles of the disk dispensing and retrieval system of Exhibit 1 are reflected in the '631 Application, for example:

9.2.1 Claim 1 of the '631 Application describes a system for dispensing optical storage media from a kiosk (as in items a and b, above), reciting the following:

- "a first processor in said kiosk," as in item a of paragraph 9.1, above;
- "a first set of instructions for directing said first processor to: receive a request for an optical storage media and billing information from a user," as in item a-d of paragraph 9.1, above;
- directing a first processor of the kiosk to "receive a request for an optical storage media and billing information from a user, transmit said billing information to said system server for confirmation, receive said confirmation of billing from said system server," as in items b-e of paragraph 9.1, above;
- directing a first processor to "dispense said requested optical storage media to said user," as in items a and b of paragraph 9.1, above;
- a set of instructions for directing a second processor to "perform a credit verification routine on a credit account in said billing information, [and] transmit said confirmation to said first processor

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responsive to a verification of credit account," as in item c and d of paragraph 9.1, above; and

- a set of instructions for directing a second processor to "transmit said confirmation to said first processor responsive to a verification of credit account, and transmit an electronic receipt for said transaction to a user specified address in said billing information," as in the transmitting, documenting and printing aspects of items c and d of paragraph 9.1, above.

9.2.2 Claim 43 of the '631 Application recites the following:

- "receiving a request for an optical storage media and billing information from a user at said kiosk; transmitting said billing information to said system server for confirmation; [and] receiving said billing information in system server," as in the items a-d of paragraph 9.1, above;
- "performing a credit verification routine on a credit account in said billing information with said server; [and] transmitting said confirmation from said system server to said kiosk responsive to a verification of credit account", as in items c and e of paragraph 9.1, above; and
- "transmitting said confirmation from said system server to said kiosk responsive to a verification of credit account; [and] transmitting an electronic receipt for said transaction to a user specified address received in said billing information;...[and] dispensing said requested optical storage media to said user," as in items a-d of paragraph 9.1, above.

9.2.3. Other claims of the '631 Application similarly reflect principles of the disk dispensing and retrieval system of Exhibit 1, for example, claim 3 recites "instructions for directing said first processor to receive a returned optical media from a user, identify said returned optical media, and transmit identity of said returned optical media to said system server," as found in the automation (inventory control) feature of item e, above.

10. Exhibit 2, dated August 1, 1997, lays out my concept of a fully automated, self-service mass spectrometry analysis device (hereinafter, "analysis device"). The innovations of the analysis device formed contemporaneous constructs for the disk dispensing and retrieval system described in the '631 application, as set forth below.

10.1 The equipment of the analysis device (particularly, the Mass Spectrometer and carousel-based autosampler) was networked to a PC and through the PC and the Intranet to a printer. Operation of the analysis device began when samples were placed in individual slots of the analysis device, and included the following steps:

- a) A set of instructions and User ID were generated at the PC upon request from the user;

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- b) data specific to the samples in the slots of the analysis device was entered by a user, via a simplified user interface;
- c) Instructions were networked to the equipment and carried out as requested;
- d) On cue, the carousel-based auto-sampler rotated into position and activated a set of processes specific to the sample data;
- e) A log of such events was generated;
- f) Results of instruction execution were automatically compiled and spooled, then stored and/or transmitted and documented on network printers, and
- g) Results specific to individual samples analyzed were stored and/or documented on printers or computer screens proximal to the device or remote from the device, via the Intranet.

10.2 Principles and steps (outlined in paragraph 10.1) of the analysis device are reflected in the '631 Application, for example:

10.2.1 Claim 1 of the '631 Application requires the following:

- "a first set of instructions for directing said first processor to: receive a request for an optical storage media and billing information from a user," as in items a and b of paragraph 10.1, above;
- "a first set of instructions for directing said first processor to: receive a request for an optical storage media and billing information from a user," as in items a and b of paragraph 10.1, above;
- directing a first processor of the kiosk to "receive a request for an optical storage media and billing information from a user, transmit said billing information to said system server for confirmation, receive said confirmation of billing from said system server," as in item b and c of paragraph 10.1, above, wherein data entered by a user is networked to the equipment;
- a set of instructions for directing a second processor to "perform a credit verification routine on a credit account in said billing information, [and] transmit said confirmation to said first processor responsive to a verification of credit account," as in item d of paragraph 10.1, above; and
- a set of instructions for directing a second processor to "transmit said confirmation to said first processor responsive to a verification of credit account, and transmit an electronic receipt for said transaction to a user specified address in said billing information," as in the transmitting, documenting and printing aspects of items e, f and g of paragraph 10.1, above.

10.2.2 Claim 43 of the '631 Application recites the following:

- "receiving a request for an optical storage media and billing

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information from a user at said kiosk; transmitting said billing information to said system server for confirmation; [and] receiving said billing information in system server," as in the items a - c of paragraph 10.1, above;

- "performing a credit verification routine on a credit account in said billing information with said server; [and] transmitting said confirmation from said system server to said kiosk responsive to a verification of credit account", as in the activation of processes specific to sample data in item d of paragraph 10.1, above; and
- "transmitting said confirmation from said system server to said kiosk responsive to a verification of credit account; [and] transmitting an electronic receipt for said transaction to a user specified address received in said billing information; ...[and] dispensing said requested optical storage media to said user," as in items e, f and g of paragraph 10.1, above.

10.2.3 Other claims of the '631 Application are similarly supported by the analysis device, for example, the analysis device includes a carousel-based auto-sampler while claim 9 recites a carousel.

11. From June of 1997 through June of 1998, I continued full time enrollment in the MBA program offered through the Graduate School of Business Administration, University of Colorado, Denver (transcripts attached as Exhibit 3). Throughout this time period, in tandem with courses at the University of Colorado, I developed a business model to launch a company to commercialize the disk dispensing and retrieval system later filed in the '631 application. In this period, I concurrently pursued the concept of the disk dispensing and retrieval system, for example:

- researching pricing of both Indra.com web hosting services and Dell servers to evaluate system servers, such as used in claim 1 and claim 43, listed respectively in paragraphs 10.2.1 and 10.2.2, above;
- discussing credit card charge and charge-back operations with various merchants in Denver and Boulder counties, such as used in claims 1 and 43, listed respectively in paragraphs 10.2.1 and 10.2.2, above;
- researching viability of DVD technology as opposed to existing technologies (i.e., CD technology) in order to design the disk dispensing and retrieval system for the future format of the video industry, such as laid out in claims 1 and 43, listed respectively in paragraphs 10.2.1 and 10.2.2, above;
- determining disc vulnerability and associated risks (for example, at my retreat in June of 1997, discussed in paragraphs 9 and 9.1, above; see also Exhibit 1), and formulating techniques for handling such vulnerability and risks, such as reflected in the error detection and handling elements of claims 5-7, 14-17, 46-48 and 55-58 of the '631 Application; and
- researching DVD specifications, barcodes, white papers and content layout descriptions to determine mode of return identification. This research spawned

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the concept of moving or re-structuring the barcode to mimic movement with no mechanics, the end result being the concentric barcode described in the disk dispensing and retrieval system, such as in claims 27, 28, 30-32 and 70-72 of the '631 Application

My coursework and the above activities engendered several business plans and Excel charts to validate the business model, including trade-offs between the technical components discussed in the bullet points immediately above (see, e.g., Exhibit 4).

12. Exhibit 5 is one page of the Lab Notebook dated June 17, 1998 and describing (a) a design for a disk dispensing and retrieval system and (b) a plan for prototyping the disk dispensing and retrieval system in 1998.

13. Exhibit 6 is one page of the Lab Notebook dated June 22, 1998 and describing meetings with lawyers at the law firms of Chrisman, Bynum & Johnson and Cooley Godward; these meetings included discussions regarding the patenting of the disk dispensing and retrieval system.

14. Exhibit 7 consists of two pages of the Lab Notebook dated June 23, 1998 and illustrating possible disk configurations for the disk dispensing and retrieval system.

15. Exhibit 8 is one page of the Lab Notebook dated June 26, 1998 and describing a telephone call with Cooley Godward and further development of the disk dispensing and retrieval system with Philip Tomasi, another named inventor of the '631 application.

16. Exhibit 9 is one page of the Lab Notebook dated June 30, 1998 and describing (a) market research for the disk dispensing and retrieval system and (b) a meeting with North Communications, which was considered a possible commercialization partner.

17. Exhibit 10 consists of three pages of the Lab Notebook, dated July 2, 1998 through July 7, 1998, and describing (a) market research regarding Blockbuster video rentals, (b) further kiosk design illustrations, and (c) a confidential meeting with K.I.S. regarding engineering design for the disk dispensing and retrieval system.

18. Exhibit 11 is one page of the Lab Notebook dated July 31, 1998 and describing a conference call with Philip Tomasi and North Communication, regarding kiosk design particulars.

19. Exhibit 12 is one page of the Lab Notebook dated August 5, 1998 and describing a meeting with Gary Bloomer of the Boulder Technology Incubator, to assist in commercialization of the disk dispensing and retrieval system.

20. Exhibit 13 is one page of the Lab Notebook dated August 20, 1998 and describing a patent search and contact with CD equipment manufacturers.

21. Exhibit 14 consists of two pages of the Lab Notebook dated August 31, 1998 and describing a meeting with Philip Tomasi regarding a development plan for the disk dispensing and retrieval system; Exhibit 10 further describes purchase and installation of a DVD-ROM

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drive and touch screen prototype.

22. Exhibit 15 consists of two pages of the Lab Notebook dated September 27, 1998 and October 13, 1998, respectively, which describe testing of CD and DVD transport systems.

23. Exhibit 16 is one page of the Lab Notebook dated October 30, 1998 and describing signing a lease with Boulder Technology Incubator, to assist in commercializing the disk dispensing and retrieval system.

24. Exhibit 17 is one page of the Lab Notebook dated November 2, 1998 and describing further development of the disk dispensing and retrieval system during a first residence day at the Boulder Technology Incubator.

25. Exhibit 18 is one page of the Lab Notebook dated November 5, 1998 and describing a meeting with the Chrisman, Bynum and Johnson law firm regarding forming a business entity to commercialize the disk dispensing and retrieval system.

26. Exhibit 19 consists of three pages of the Lab Notebook dated November 19, 1998, November 20, 1998, and November 23, 1998, respectively, and describing design particulars for the disk dispensing and retrieval system.

27. Exhibit 20 consists of two pages of the Lab Notebook dated December 7, 1998 and December 8, 1998, respectively, and describing meetings with potential lawyers and advisory board members to assist in commercializing the disk dispensing and retrieval system.

28. Exhibit 21 is one page of the Lab Notebook dated December 16, 1998 and describing further design issues for the disk dispensing and retrieval system.

29. Exhibit 22 consists of two pages of the Lab Notebook dated January 5, 1999 and January 6, 1999 (these pages incorrectly recite 1998), respectively, and describing further DVD kiosk development and meetings with lawyers to discuss forming an LLC to commercialize the disk dispensing and retrieval system; this LLC was formed January 15, 1999 as Freeflyr, LLC, which merged into Freeflyr, Inc. August 16, 2000.

30. Exhibit 23 is one page of the Lab Notebook setting forth press release collateral of the disk dispensing and retrieval system for use in public meetings after May 25, 1999; the press release was prepared during a period of January 1, 1999 and May 25, 1999.

31. From May of 1999 to July of 1999, materials for filing of a patent application for the disk dispensing and retrieval system were prepared; that patent application was filed on July 13, 1999 as U.S. Application Serial No. 60/143,601 (the '601 Application) and included mechanical drawings for DVD transfer mechanisms and source code.

32. I conceived and, with due diligence, pursued a constructive reduction to practice of the disk dispensing and retrieval system entirely within the United States.

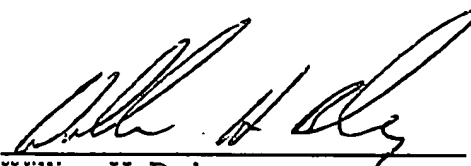
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I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that the statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the Application or any patent issued thereon.

Respectfully submitted,

Dated

APRIL 15, 2004

A handwritten signature in dark ink, appearing to read 'William H. Barber', is written over a horizontal line.

William H. Barber